

BIRMINGHAM REPORTING SERVICE

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IN THE UNITED STATES DISTRICT COURT FOR
THE MIDDLE DISTRICT OF ALABAMA
NORTHERN DIVISION

TROY E. TILLERSON,)	
)	
PLAINTIFF,)	
)	
)	
VS.)	CIVIL
)	ACTION
)	NO.
THE MEGA LIFE AND HEATH)	3:05CV985-B
INSURANCE CORPORATION,)	
)	
DEFENDANTS.)	

DEPOSITION OF SUSAN JOHNSON

The deposition of SUSAN JOHNSON was taken before Anna Tolleson, CSR, as Commissioner, on July 17, 2007, by the plaintiff, commencing at 9:00 a.m., in the office of the, in Dallas, Texas, pursuant to the stipulations set forth herein.

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1 **A** Yes.

2 **Q** So is it Health Markets, Inc.?

3 **A** Yes.

4 **Q** How long have you worked for Health
5 Markets, Inc.?

6 **A** Since October 1997.

7 **Q** And what's your job title with
8 them?

9 **A** Senior Director, Compliance
10 Oversight.

11 **Q** Where are you from, Ms. Johnson?

12 **A** Where am I from?

13 **Q** Yes, ma'am. Where did you grow up?

14 **A** I was born in Des Moines, Iowa. I
15 lived in Texas since I was six.

16 **Q** Where did you go to college?

17 **A** University of Texas in Arlington.

18 **Q** What year did you graduate?

19 **A** 1998.

20 **Q** Bachelor's?

21 **A** I have a Bachelor's degree,
22 business accounting.

23 **Q** Have you ever been to Alabama?

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1 HIPAA, that we can't -- we can only cancel
2 a member's insurance coverage for certain
3 reasons: For nonpayment of premium, fraud,
4 if we withdraw from the states. So reasons
5 for termination would be very limited.

6 Q Is that the -- as far as the
7 reasons for terminations, the ones you just
8 recounted for me, are those the reasons for
9 terminations that are adopted in the
10 products that are sold by Mega in the state
11 of Alabama now?

12 A Yes.

13 Q Has that always been the case?

14 A It's been the case since HIPAA was
15 enacted.

16 Q What was that --

17 A It was operative in '97, July of
18 '97.

19 Q Are you familiar with HIPAA in your
20 capacity as compliance director?

21 A Yes.

22 Q Are you familiar with ERISA in your
23 capacity as compliance director?

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1 **A** To an extent.

2 **Q** To what extent?

3 **A** I've got some knowledge. I'm not
4 an expert on ERISA.

5 **Q** What does -- I know it's a broad
6 statute but what does your knowledge
7 encompass?

8 **A** Mainly, I guess, certain
9 requirements apply to employer based
10 coverages.

11 **Q** Like what?

12 **A** Under HIPAA there's certain -- to
13 an extent related to small employer
14 requirements, certain waiting periods you
15 can have. I really have limited knowledge
16 of ERISA itself.

17 **Q** Other than the requirements or some
18 of the requirements that apply to
19 employer-based products, for example,
20 waiting periods, does your knowledge of
21 ERISA extend beyond that?

22 **A** You know, I know just little bits
23 and pieces of things. I don't know a whole

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1 lot about ERISA.

2 Q Who in the compliance department --
3 and I know there's separate sections in the
4 compliance department. Who deals with
5 ERISA most, in your opinion?

6 A The person who would deal with that
7 the most would actually be in our legal
8 department.

9 Q Okay. Do you know the name of the
10 person?

11 A Jim Young.

12 Q Is he an attorney?

13 A Yes.

14 Q Do you know if Mega sells
15 employer-based products?

16 A In the state of Alabama?

17 Q Yes, ma'am.

18 A I believe that we -- I believe Mega
19 is a small employer carrier in the state of
20 Alabama. I think we have very limited
21 plans. I don't know that we sell a whole
22 lot of small employer coverage.

23 Q Is Mr. Tillerson's coverage a small

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1 employer product?

2 **A** No.

3 **Q** Have you had a chance to look over
4 his certificate before you came here today?

5 **A** I'm generally familiar with his
6 certificate form. I haven't looked at the
7 specific certificate.

8 **Q** In your opinion, is this an ERISA
9 type plan?

10 MR. LAMPKIN: Object to the form
11 of the question. You're asking the witness
12 to draw a legal conclusion. You can answer
13 if you can. And she's not designated to
14 talk about that area.

15 **A** Mr. Tillerson -- to the best of my
16 knowledge, his coverage would have been
17 issued as a member -- an individual member
18 of the association. So he would not be
19 subject to ERISA.

20 MR. COUCH: What's the next one,
21 James?

22 MR. LAMPKIN: 16, 17, and then
23 after that there was one further on over